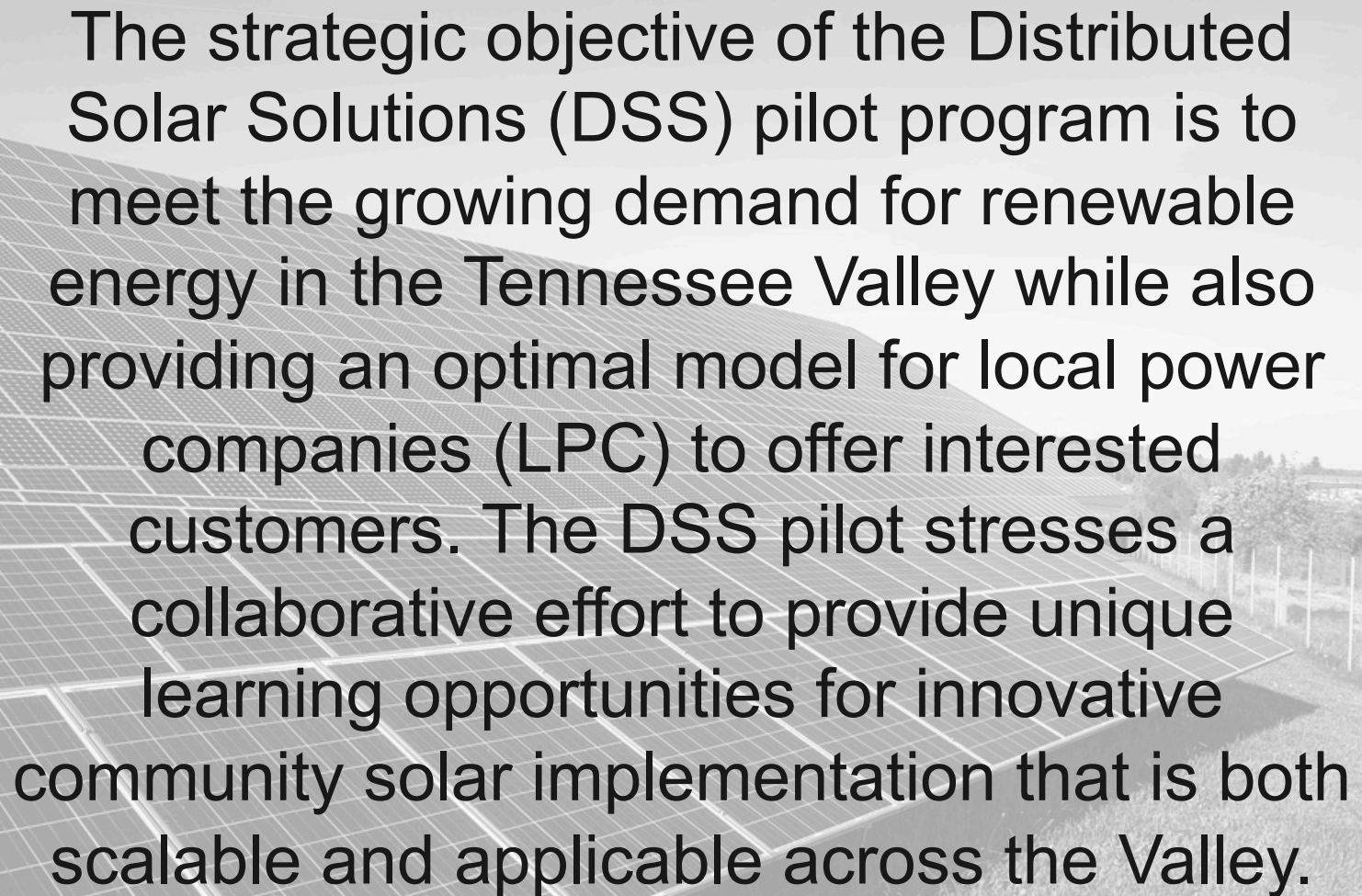




Additional Selection Considerations

Distributed Solar Solutions



The strategic objective of the Distributed Solar Solutions (DSS) pilot program is to meet the growing demand for renewable energy in the Tennessee Valley while also providing an optimal model for local power companies (LPC) to offer interested customers. The DSS pilot stresses a collaborative effort to provide unique learning opportunities for innovative community solar implementation that is both scalable and applicable across the Valley.

Distributed Solar Solutions – CY 2017

- Capacity: 10 MWs
- Price: Base Rate + Premium of 2.73 cents/kWh
- Comparing the simple average of the 20-year rate (base + premium), the 2017 average is 16% lower than the 2016 average
- Reduce max project size from 5 MW to 2 MW to focus on Community Solar (matches DSS survey input)
- Award capacity to LPC directly – giving them the flexibility in developer / partner selection

2017 DSS Selection Considerations

Desired Project Characteristics

Valley-wide replicability

Overall educational / learning value

Preserve LPC/customer relationship

2017 DSS Selection Considerations

Desired Project Features

Financing Model

Examples:

- Investment ratio/leveraging of partners/resources
- Configuration
- Ownership model

Educational Program Coupling – projects that provide an education and outreach component for LPC Customers and/or LPC Staff

Technical innovations - projects that are utilized to implement technical attributes such as:

- Micro-grid integration
- Automated switching integration
- Battery storage integration
- VAR support
- Voltage sag ride-through

Targeted Community Solar/Renewable Mandates - projects that are designed to meet the needs of the following customer classes or a renewable requirement/mandate of the customer class or a project that aggregates the needs of more than one LPC in a region or area

- Higher education
- State/local/government/military
- Low-income
- Commercial, Industrial, Residential
- Regional aggregation

2017 DSS Selection Considerations

System Characteristics

- System Size
- Cooperative, municipal or energy authority
- Geographical location
- Single vs multiple projects per system
- First-time or repeat applicant

Project Feasibility

- Resource requirements (technology, facilities, analytics, communication, staff, etc.) for project completion, integration and implementation
- Verification of existing or planned system capabilities that meet the project resources requirements within the project timeline

Distributed Solar Solutions Applications

Applications must include a detailed, comprehensive narrative that thoroughly describes how the project meets the DSS selection criteria described previously:

- Project Scope
- Project Purpose
- Project Timeline
- Project Characteristics
- Project Features
- System Characteristics
- Project Feasibility
- Quantitative and Qualitative Measures of Success

Narratives should demonstrate consistency with the spirit and intent of the DSS strategic objective detailed above